

Program C: Criminal Law and Medicaid Fraud

Program Authorization: La. Constitution, Article IV, Section 8; R.S. 36:701(D); R.S. 36:704(E) and (F); R.S. 13:4448; R.S. 49:251-253 and 257(B); R.S. 15:1311(B); R.S. 42:66(G); R.S. 22:1241 and 1245; R.S. 40:1421 and 1422; C.Cr.Pr. Articles 61, 67, 261-280, 1880; 42 C.F.R. 1007.

Program Description

The mission of the Criminal Law and Medicaid Fraud Program is to seek justice on behalf of the citizens of the State of Louisiana by the execution of superior, professional, and effective investigation and prosecution of all matters referred to the Department of Justice.

The goals of the Criminal Law and Medicaid Fraud Program are:

1. Provide superior legal and professional services to the State of Louisiana.
2. Develop a working environment that encourages competent individuals to seek career employment in the Criminal Law and Medicaid Fraud Program of the Department of Justice.
3. Improve cooperative working relationships with federal, state, and local agencies and private sector organizations.

The Criminal Law and Medicaid Fraud Program includes two activities (organizationally expressed as divisions): Criminal Division and Investigation Division. The functions of both divisions are supervised by the deputy attorney general and program manager (who is responsible for monitoring the activities of all staff personnel, including the division directors, as well as for the administration and implementation of policy).

The Criminal Division is divided into seven sections: Administrative Section; Prosecution and Technical Services Section; Special Services Section; White Collar Crimes Section; Violent Crime and Drug Unit; Insurance Fraud Unit; and Medicaid Fraud Control Unit and the High Technology Crime Unit.

- The Administrative Section supervises, controls, and coordinates all personnel and functions of the Criminal Division.
- The Prosecution and Technical Services Section prosecutes violations of the criminal laws of the state by conducting or assisting in criminal prosecutions pursuant to the request or request of a district attorney. This section also serves as advisor to district attorneys, law enforcement, and the legislature; a training agency for law enforcement; and as liaison between various levels of law enforcement within the state.
- The Special Services Section provides legal services to the state in the areas of extradition; appeals and habeas corpus proceedings; serving as amicus curiae in matters pending before the U.S. Supreme Court; and preparation of attorney general opinions concerning matters of law.
- The White Collar Crimes Section specializes in the investigation and prosecution of economic crime, including theft by fraud, investment and financing frauds and Ponzi schemes, insurance fraud, racketeering, money laundering, and other related financial-type crimes. The unit also investigates and prosecutes criminal violations of the state hazardous waste and other related environmental laws.
- The Violent Crime and Drug Unit specializes in violent crimes against the person and narcotics cases of all varieties. Although the Prosecution and Technical Services Section handles some violent offenses and drug cases, the goal of the Violent Crime and Drug Unit is to develop a staff of prosecutors proficient in areas of criminal law that increasingly require specialized training and knowledge.
- The Insurance Fraud Unit prosecutes cases of insurance fraud referred to the Department of Justice by the Department of Insurance.
- The Medicaid Fraud Control Unit investigates and prosecutes individuals and entities defrauding the Medicaid Program or abusing residents in health care facilities. It also initiates recovery of identified overpayments.

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- The High Technology Crime Unit (HTCU) is a new section developed to address computer related crimes that may involve fraud, identity theft, child pornography, attacks against legitimate businesses by hackers, support to local and state law enforcement in the capture and analysis of computer data, and to function as the state's computer crimes liaison with the National White Collar Crime Center and federal law enforcement agencies.

The Investigation Division is divided into four sections: Administrative Section, Trial Section, Special Investigations Section, and General Investigations and Government Support. The Director of the Investigation Division supervises each section.

- The Administrative Section supervises, controls, and coordinates all personnel and functions of the Investigation Division. The division also has two investigators assigned to the Cooperative Disability Investigations Pilot Project.

- The Trial Section provides follow-up investigation services for the trial attorneys of the Criminal Division. The investigations are those things deemed necessary by the assistant attorneys general that were not done by the primary investigative agency. These services include locating witnesses who have moved since the offense occurred, running record checks on potential witnesses, providing transportation for victims and witnesses who have none, providing security for victims, witnesses, and assistant attorneys general, procurement of evidence, and witness management during trial.

- The Special Investigations Section provides investigative services in those cases referred to the Louisiana Department of Justice involving white collar crimes or public corruption. Due to the fact that many district attorneys lack personnel with the necessary expertise or wish to avoid becoming embroiled in local politics, this type of crime is an ever-increasing part of the program's caseload. Appropriately, this section is staffed with accountants along with other investigators.

- The General Investigations and Government Support Section provides investigative services in all matters not covered by the two specialized sections described above. Additionally, this section responds to the numerous requests for investigative assistance from any government agency—local, state, or federal.

RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 2000-2001	ACT 12 2001-2002	EXISTING 2001-2002	CONTINUATION 2002-2003	RECOMMENDED 2002-2003	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$3,031,282	\$3,103,874	\$3,105,870	\$3,387,981	\$2,989,915	(\$115,955)
STATE GENERAL FUND BY:						
Interagency Transfers	270,163	421,055	421,055	417,788	398,462	(22,593)
Fees & Self-gen. Revenues	0	0	0	0	0	0
Statutory Dedications	260,522	305,455	305,455	349,110	326,546	21,091
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	1,124,748	1,279,114	1,283,231	1,400,475	1,316,185	32,954
TOTAL MEANS OF FINANCING	\$4,686,715	\$5,109,498	\$5,115,611	\$5,555,354	\$5,031,108	(\$84,503)
EXPENDITURES & REQUEST:						
Salaries	\$2,814,908	\$3,258,346	\$3,320,492	\$3,338,123	\$3,098,781	(\$221,711)
Other Compensation	35,915	49,060	49,060	49,060	49,060	0
Related Benefits	533,278	626,441	654,155	745,208	675,241	21,086
Total Operating Expenses	786,538	729,341	860,583	891,374	767,943	(92,640)
Professional Services	0	18,388	8,388	8,388	8,388	0
Total Other Charges	211,277	175,000	0	7,140	103,136	103,136
Total Acq. & Major Repairs	304,799	252,922	222,933	516,061	328,559	105,626
TOTAL EXPENDITURES AND REQUEST	\$4,686,715	\$5,109,498	\$5,115,611	\$5,555,354	\$5,031,108	(\$84,503)
AUTHORIZED FULL-TIME						
EQUIVALENTS: Classified	0	0	0	0	0	0
Unclassified	71	73	73	73	70	(3)
TOTAL	71	73	73	73	70	(3)

SOURCE OF FUNDING

This program is funded with State General Fund, Interagency Transfers, Statutory Dedications and Federal Funds. Interagency Transfers are derived from various state agencies for investigative and legal services. Statutory Dedications are from the Insurance Fraud Fund and the Deficit Elimination Fund per Act 1182 of the 2001 Regular Legislative Session. Federal Funds are from the Department of Health and Human Services Medicaid Fraud Unit and the U.S. Department of Justice for drug prosecution. (Per R.S. 39.36B. (8), see table below for a listing of expenditures out of each Statutory Dedicated Fund.)

	ACTUAL	ACT 12	EXISTING	CONTINUATION	RECOMMENDED	RECOMMENDED
	2000-2001	2001-2002	2001-2002	2002-2003	2002-2003	OVER/(UNDER)
						EXISTING
Insurance Fraud Fund	\$260,522	\$305,455	\$305,455	\$337,816	\$326,546	\$21,091
Deficit Elimination Fund	\$0	\$0	\$0	\$11,294	\$0	\$0

MAJOR FINANCIAL CHANGES

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
\$3,103,874	\$5,109,498	73	ACT 12 FISCAL YEAR 2001-2002
			BA-7 TRANSACTIONS:
\$1,996	\$6,113	0	Carry forward of miscellaneous operating expenses
\$3,105,870	\$5,115,611	73	EXISTING OPERATING BUDGET - December 20, 2001
\$99,994	\$147,431	0	Unclassified State Employees Merit Increases for FY 2002-2003
\$2,172	\$2,172	0	Risk Management Adjustment
\$127,502	\$328,559	0	Acquisitions & Major Repairs
(\$110,930)	(\$216,820)	0	Non-Recurring Acquisitions & Major Repairs
(\$1,996)	(\$6,113)	0	Non-Recurring Carry Forwards
(\$68,171)	(\$111,335)	0	Salary Base Adjustment
(\$78,094)	(\$115,142)	0	Attrition Adjustment
\$0	\$35,068	0	Group Insurance Adjustment
(\$109,036)	(\$162,222)	(3)	Gubernatorial Position Reduction
\$0	(\$17,061)	0	Other Adjustments - Modification of IAT changes due to changes in IAT agreements
\$7,207	\$10,990	0	Other Adjustments - Rate increase in building rental rate at One American Place due to new management
\$8,257	\$12,830	0	Other Adjustments - Capitol Park Security fees
\$7,140	\$7,140	0	Other Adjustments - Rate increase in annual radio user-fees for utilization of DPS statewide emergency radio system
\$2,989,915	\$5,031,108	70	TOTAL RECOMMENDED
\$0	\$0	0	LESS GOVERNOR'S SUPPLEMENTARY RECOMMENDATIONS
\$2,989,915	\$5,031,108	70	BASE EXECUTIVE BUDGET FISCAL YEAR 2002-2003
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE:
\$0	\$0	0	None
\$0	\$0	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE
\$2,989,915	\$5,031,108	70	GRAND TOTAL RECOMMENDED

04B-141

PROFESSIONAL SERVICES

\$8,388 Additional legal consulting to be determined as required to carry out the mission of the Department

\$8,388 TOTAL PROFESSIONAL SERVICES

OTHER CHARGES**\$0 SUB-TOTAL OTHER CHARGES****Interagency Transfers:**

\$35,830 Office of Risk Management fees
\$7,140 Radio user-fees for DPS statewide emergency radio system
\$12,830 Capitol Park Security fees
\$47,336 Office of Telecommunication Management fees

\$103,136 SUB-TOTAL INTERAGENCY TRANSFERS**\$103,136 TOTAL OTHER CHARGES**

ACQUISITIONS AND MAJOR REPAIRS

\$23,102	Replacement of data processing equipment
\$95,332	Replacement of general office equipment
\$181,500	Replacement of twelve high mileage vehicles
\$28,625	Replacement of library reference materials
\$328,559	TOTAL ACQUISITIONS AND MAJOR REPAIRS